

PSJ17 Exh 30



## Cephalon to buy Anesta for \$444 mln

By [Stephanie O'Brien](#)

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NEW YORK (CBS.MW) - Cephalon said it agreed to acquire Anesta Corp. for about \$444 million in stock.

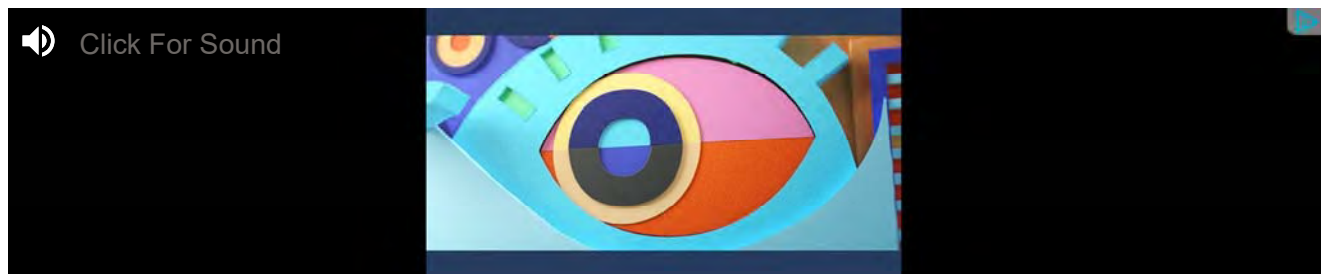
Cephalon (CEPH) develops and markets products that treat sleep and neurological disorders and cancer. Anesta (NSTA) makes cancer pain treatments and other products using its oral transmucosal drug-delivery system. Anesta's drug-delivery system allows drugs to be quickly absorbed into the bloodstream through the mucous membrane, according to Hoover's Online.

The combined company will have a broader pipeline of products in clinical development, including new treatments for cancer and neurodegenerative diseases, the companies said.

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Shares of Cephalon pared earlier losses, rising 5 1/4 to 71 1/4, while Anesta shares rose 10 1/2 to 32 5/8.

Abbott Laboratories (ABT) owns a 9 percent stake in Anesta and has marketing agreements with the company to sell the cancer pain treatment Actiq, and the sedative and painkiller Fentanyl Oralet in the U.S., according to Hoover's.

Anesta is also developing other oral transmucosal products for quitting smoking, migraine headaches and nausea.

"Strategically, it's a strong partnership," said Jay Silverman, an analyst at Robertson Stephens. He said the purchase will minimize Cephalon's dependence on a single product (Provigil).

Under the terms of the agreement, holders of Anesta stock will get 0.4765 shares of newly-issued Cephalon stock for each of their shares. Based on Cephalon's July 14 closing price of \$66 a share, the transaction is valued at about \$444 million, or \$31.45 per Anesta share. As part of the agreement, Anesta agreed to a break-up fee of \$15 million, which is payable under certain conditions.

The transaction, which is expected to be completed in the fourth quarter, will be accounted for as a pooling of interests. Cephalon said it expects the purchase to add to revenue and earnings in 2001.

"We believe the combination of Cephalon and Anesta will shorten Cephalon's time to profitability and enable shareholders of both companies to realize continued long-term growth," Cephalon chairman and CEO Frank Baldino, said in a statement.

Merging with Anesta will give Cephalon a high-growth product, Actiq, and enable the use Anesta's drug delivery technology in developing of new oncology and neurology products, Baldino also said.

The combined company will have three marketed products in the U.S. They are Provigil, which treats excessive daytime sleepiness associated with narcolepsy, Actiq, and Gabitril, which is marketed with Abbott for treating partial seizures associated with epilepsy.

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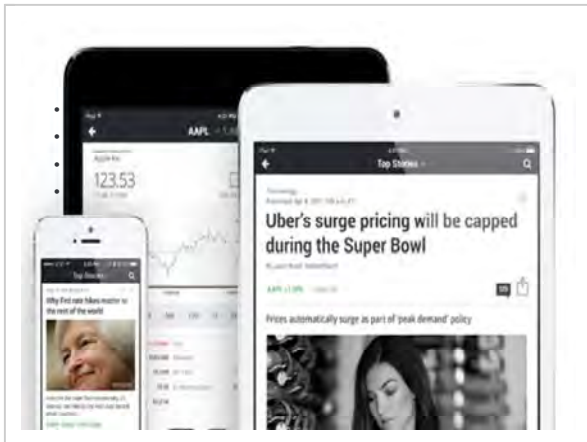
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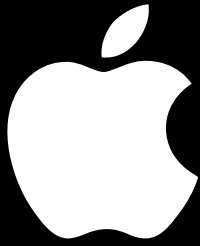
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